

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1310 - HB 1825

March 25, 2011

SUMMARY OF BILL: Requires documents filed with the Secretary of State to be submitted on letter-size paper. Authorizes the Secretary of State to establish procedures for filing of documents by electronic means. Requires corporate charters, applications for certificates of authority, annual reports, articles of organization, registrations, notices, and other certificates to include a contact telephone number or email address. Requires that corporate and limited liability company annual reports contain a federal employer identification number (FEIN). Requires limited liability companies and non-profit corporations to state the number of entity members in their charters, applications for certificates of authority, and articles of organization.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$28,800/One-Time

Assumptions:

- According to the Department of State, the Department's computer system, the Tennessee Business Entity and Annual Report System (TN BEAR), will be reprogrammed to implement this bill.
- According to the Department of State, business analysis will be conducted to translate specific requirements into specifications used by computer programmers to design, build, test, and implement changes to TN BEAR.
- The Department estimates 70 hours of business analysis costing a contracted rate of \$80 per hour will be required. Additionally, 232 hours of program coding for TN BEAR costing a contracted rate of \$100 per hour will be required to implement the bill. The result is a one-time increase in state expenditures of \$28,800 [(70 hours x \$80 per hour) + (232 hours x \$100 per hour)].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/sbh